

## EXHIBIT 5-K

### AFFIRMATIVE FAIR HOUSING MARKETING POLICY

In accordance with the regulations of the Home Investment Partnership (HOME) Program, and in furtherance of the Montana Department of Commerce's commitment to non-discrimination and equal opportunity in housing, the HOME Program has established procedures to affirmatively market all projects resulting in five (5) or more HOME-assisted housing units.

The Montana Department of Commerce HOME Program believes that individuals of similar economic levels in the same housing market area should have available to them a like range of housing choices regardless of their race, color, religion, sex, familial status, disability or national origin.

The Montana Department of Commerce HOME Program is committed to meeting the goals of affirmative marketing and will therefore require all state recipients and subrecipients receiving HOME funds adopt policies and procedures that inform the public, potential tenants, homebuyers, homeowners, and rental property owners of its Affirmative Fair Housing Marketing Plan.

#### **Minimum AFHM Plan Requirements**

A. At a minimum, the AFHM Plan of a state recipient or subrecipient must:

1. Commit to including the Equal Housing Opportunity logotype in press releases and solicitations for participation in the program;
2. Have a policy for referrals of housing questions and complaints to its fair housing provider, agency or organization that can provide advice on the state and federal fair housing laws; and
3. Requirements specific to rental projects: Conduct public outreach, identifying that the rental property received HOME assistance. This information must include the address of the units and the address and phone number of the owner.
4. Requirements specific to homebuyer projects: Conduct public outreach that specifically targets residents of public housing and manufactured housing in the housing market area.

B. At a minimum, the AFHM Plan will require that applicants for projects involving 5 or more HOME-assisted units will comply with the following:

1. Prior to sales or rental activity (or marketing of a TBRA, homebuyer assistance, or rehabilitation program), the recipient or subrecipient shall identify community contacts (individuals, organizations, or agencies) actively involved with serving low-income persons who would benefit from special outreach efforts.

2. If any rental units are publicly advertised during the period of affordability, the Equal Housing Opportunity logo must accompany the advertisement.
3. The recipient or subrecipient (or its agent, if applicable) must display the HUD fair housing poster (Exhibit 5-I) in an area accessible to the public, such as the rental office or project office.
4. The recipient or subrecipient (or its agent, if applicable) will collect information on the race and ethnicity of program applicants to demonstrate the results of the owner's affirmative marketing efforts.
5. For rental projects, the owner (or its agent, if applicable) will, for the entire period of affordability, maintain information demonstrating compliance with items 1, 2 and 4 above, and will make such information available to the HOME Program staff during HOME onsite inspections, or upon request.

### **Overview of Affirmative Marketing**

An Affirmative Fair Housing Marketing (AFHM) Plan and affirmative marketing procedures are required for recipients and subrecipients of HOME funds for all activities involving five or more HOME-assisted units. Affirmative marketing procedures must continue throughout the period of affordability. For TBRA, homebuyer assistance, homeowner rehabilitation, and single-family housing development, the plan remains in effect until HOME-funded activities are completed.

Affirmative marketing is not a separate marketing program. It can be an integral part of the overall project marketing effort. Affirmative marketing typically consists of a good faith effort to attract to a project those who are identified as "least likely to apply" or under-represented in a neighborhood or community. Through an affirmative marketing plan, a developer indicates what special efforts they will make to attract racial or ethnic groups who might not normally seek housing in their project. Affirmative marketing does not limit choices; choices are expanded to include those that might not otherwise be considered because of past discrimination. Increasingly, communities which make a long-term commitment to racial and ethnic diversity have found their efforts rewarded by increasing property values.

Affirmative marketing adds little to the cost of a project. Most of the cost associated with affirmative marketing is already reflected in the project's broader marketing budget.

**Exhibit 5-L** is the required AFHM Plan form. The AFHM Plan must be filled out completely and signed by an authorized official of the sponsoring organization.

In formatting an Affirmative Marketing Program, the applicant must do the following:

1. Targeting: Identify the segments of the eligible population which are least likely to apply for housing without special outreach efforts.
2. Outreach: Outline an outreach program which includes special measures designed

to attract those groups identified as least likely to apply and other efforts designed to attract persons from the total population.

3. Indicators: State the indicators to be used to measure the success of the marketing program. The effectiveness of the marketing program can be determined by noting if the program effectively attracted buyers or renters who are:
  - from the majority and minority groups, regardless of gender, as represented in the population of the housing market area;
  - persons with disabilities and their families; and
  - families with children, if applicable.
4. Staff Training: Demonstrate the capacity to provide training and information on fair housing laws and objectives to project or rental staff.
5. Good Faith Effort: Grantees are required to make a good faith effort to carry out the provisions of their approved plan. Good faith efforts are recorded activities and documented outreach to those individuals identified as least likely to apply. Examples of such efforts include:
  - Advertising in media that is used by those identified as least likely to apply;
  - Marketing housing to specific community groups or organizations frequented by those least likely to apply;
  - Developing a brochure or handout that describes the HOME-assisted facility or facilities and how it will be accessible to persons with disabilities; and
  - Ensuring that the project/rental management staff has read and understood the Fair Housing Act, and the purpose and objectives of the AFHM Plan.
  - Developing a referral network with the local fair housing agency.

## **Implementation of the Affirmative Marketing Plan**

No later than 90 days prior to the commencement of initial occupancy the grantee shall:

### **1. Submit Notice of Intent**

The applicant of an approved AFHM Plan shall submit notice of intent to begin marketing to the HOME Program prior to the initiation of marketing activities. The notification is required by the Affirmative Fair Housing Marketing Plan Compliance Regulations (24 CFR Part 108.15). It may be submitted either orally or in writing.

### **2. Conduct Pre-Marketing Activities**

Prior to initiating general marketing, contact the commercial media, fair housing groups, civil rights organizations, employment centers and the community contacts which have been identified in the Plan as resources for attracting persons who are “least likely to apply” for the housing.

### **3. Conduct Fair Housing Training**

During the 90-day period prior to the commencement of taking rental applications, initiating sales, homebuyer assistance, or rehabilitation activities, provide training to project management or sales/rental staff in Federal, State and local fair housing laws, AFHM objectives and the approved AFHM plan.

### **4. Establish System for Documenting Outreach**

Establish a system for documenting AFHM activities and for maintaining records of such activities. At minimum, the applicant must maintain documentation pertaining to:

- The special outreach activities undertaken to attract groups least likely to apply and the general public to the housing;
- A copy of training materials used to train project management/rental staff on Fair Housing laws;
- Communications with community contacts listed in the AFHM Plan;
- Copies of public advertisements, brochures, leaflets; and
- Race and ethnicity of all applicants for the housing.

### **5. Maintain Documentation**

The documentation of AFHM activities noted in Step 4 above should be maintained in the Civil Rights file (See Chapter 1 of the Admin Manual) for monitoring by the HOME Program. For rental properties, this information must be collected and maintained during the entire period of affordability.